

EXHIBIT A

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- Prices continue to drop.
- The speedy Core 2 Duo processor makes its debut.
- Windows and Mac OS upgrades are expected early next year.
- Laptop high-def DVD players are not ready for prime time.
- Rebate mania on computers may have come to an end.

Computers

What to buy & where to buy it

Choosing a computer and where to buy it are decisions so intertwined that we've combined them for this special guide.

We describe the newest developments in the world of desktops and laptops, complete with our latest Ratings, that could affect your choice of a computer. That's followed by our exclusive Ratings of online and brick-and-mortar computer retailers, which can point you to the best

place to buy the machine you want. First, the news and what it means for you:

If you're looking for a bargain, now is a good time to buy. Prices for both desktops and laptops have continued to decline. More than 70 percent of all desktops currently sell for less than \$1,000, and more than 75 percent of laptops for under \$1,500, according to Synovate, a market research company.

Prices on more rudimentary computers are looking even better. You can buy a basic, bare-bones desktop without a monitor from Compaq or HP for about \$300, and laptops from Compaq and Dell now cost as little as \$500.

The launch of Intel's Core 2 Duo processors is creating great deals on older Pentium-based dual-core desktops. Prices on AMD desktops using lower-end Athlon

MAIN MENU The six brands that made our Quick Picks

Models from these brands are in our latest Quick Picks (pages 45 and 47), based on overall score, reliability, tech support, and value.

APPLE

Stylish machines and a friendly operating system, but often costlier than comparably equipped Windows PCs. Great tech support, but you'll have to pay for it after 90 days.

Pros Apple offers the best tech support for desktops and laptops, and it is consistently ranked most reliable among desktops in our surveys (its laptops' reliability is undistinguished). Apple's OS X operating system makes Macs less vulnerable to viruses and spyware than PCs, so you'll possibly experience fewer such problems. Apple's computer systems also come with a rich suite of multimedia applications.

Cons Tech support is only for 90 days, and extending it to three years costs more than with other brands. Most Macs are not as configurable as PCs. Little productivity software—not even a basic word processor—is included. The 13-inch Macbook is heavy for its size.

Where to buy Apple's retail stores (pictured at top) and Web site earned top marks in our survey for selection and service, but did less well on price. If you're inclined to shop around, Amazon.com and MacConnection.com also sell Macs and were among the top non-manufacturer sites overall. Their Macs may cost slightly less than those bought directly from Apple, after mail-in rebates.



Apple Macbook Pro 17"

DELL

A safe choice with consistently well-designed and competitively priced PCs.

Pros Dell's systems are well equipped, and the price is right. Dell offers a broad range of both desktops and laptops that are easy to configure to your personal specifications on its Web site.

Cons Dell's reliability and tech support have been undistinguished. Its budget models look decidedly plain, which may be a concern to style-conscious consumers; you can get a comparable but more stylish PC from HP.

Where to buy Dell sells computers directly on its Web site and through in-store kiosks. Our survey respondents reported a wider selection at the former, better service at the latter. Another Dell vendor, Costco.com, has a more limited selection but offers good prices on computers in general and has a liberal return policy of six months.



Dell Dimension E510

64 X2 chips have also dropped. Dual-core systems provide potentially better performance than those with single processors. You can now get a desktop with a dual-core chip for as little as \$650. Last spring a similar computer would have cost you about \$840. Although Intel was expected to ship one million Core 2 Duo chips within seven weeks of their introduction in August, many computer makers plan to keep Pentium-based systems around for a while.

ASSESS YOUR NEED FOR SPEED

For the best desktop values, look to single-processor systems with Intel Celeron or AMD Sempron processors or to dual-processor models with Pentium D or Athlon 64 X2 chips. Those systems should be speedy enough for most users.

However, if you are a serious gamer or like to do video editing, design work, or 3D graphics, you may want to step up to a model with the new Intel Core 2 Duo processor. In our tests, the Core 2 Duo for desktops was about 30 percent faster than the Pentium D and competitor AMD's Athlon 64 X2. The Core 2 Duo also used

safetywise

PUT A DAMPER ON LAPTOP BATTERY FIRES

With the widely publicized recall of more than 4 million lithium-ion batteries in Dell laptops and an unspecified number of Macs (see Recalls, on page 11), you might wonder whether your machine could burst into flames at any moment. Odds are, you don't have much to worry about, but you can protect yourself and your machine by taking some simple precautions:

- Don't leave your laptop in direct sunlight or in a car.
- Avoid placing your computer on a soft, mushy surface, such as a bed. That can block air from circulating beneath the unit and keep its heat from dissipating.

• If the battery is exhausted, recharge it fully using the AC adapter before powering up the computer.

• Buy a battery that bears the name of a well-known manufacturer. That way, you're more likely to learn about recalls.

• Know that contrary to some pundits' advice, it's OK to keep your laptop computer plugged in all the time.

• Finally, stay tuned to media reports to see whether there are further recalls. Sony, which made the batteries in the recalled Dell and Apple laptops, supplied a number of other manufacturers, according to the Consumer Product Safety Commission.

25 percent less power than the Pentium D, and 12 percent less than the Athlon 64 X2. As a result, it generated less heat.

The Core 2 Duo for laptops was arriving in stores at our press time. Meanwhile, we tested two laptops with AMD's dual-core processor. The HP Pavilion dv2000z and dv6000z both have the Turion 64 X2 TL-52 processor. The systems showed only marginal speed improvements over

their single-processor counterparts, and they cost about \$100 more.

PLAN AHEAD FOR UPGRADES

Both Microsoft and Apple have major revamps of their operating systems on the way. Microsoft Windows Vista, due in January, will have a new interface and enhanced security. Most systems currently on sale are Windows Vista Capable,

GATEWAY

Solid, full-featured workhorse computers. Very good online selection.

Pros Aggressive bundling gives computers purchased from the Gateway

Web site a full-featured feel. eMachines, owned by Gateway, is a good choice for the most budget-conscious shoppers, although eMachines models tend to cut corners.

Cons Gateway's tech support and reliability have been undistinguished. Gateway automatically adds an extra-cost three-year warranty and three-year antivirus subscription as you are configuring most of its systems online, so make sure that you unselect those options if you don't want to pay for them.

Where to buy Gateway sells its computers directly as well as through other retailers, including Amazon.com, Circuit City, CompUSA, and Costco. Another Gateway vendor, Micro Center, was among the top-rated retailers in our survey and might be worth a visit if you're in one of the 13 states where it is located.



Gateway FX510S

HP/COMPAQ

A wide selection of models, stylish designs, and great values give Dell a run for its money.

Pros HP and Dell are neck-and-neck in terms of value. HP has the broadest selection of laptops and desktops among the brands we tested. HP and Compaq computers (Compaq was acquired by HP in 2002) have many similarities, but the HP offerings tend to include a few more features.

Cons Some new HP laptops (dv2000, dv6000, and dv9000) compromise usability for appearance. For example, the power, CD playback, and volume buttons are too small; the Express-Card slot is difficult to access; and the touchpad's glossy sheen makes it hard to move the pointer smoothly. Tech support and reliability for both brands have been undistinguished.

Where to buy You'll find a wide selection of both HP and Compaq computers at the HP Web site. HP and Compaq models are also sold by many other retailers, including Amazon.com.



Compaq Presario SR1930T

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meaning they have the minimum specs to support the new operating system. Although Microsoft says 512 megabytes of RAM is enough to run a minimal version of Vista, we recommend getting at least 1 gigabyte.

Systems called Windows Vista Premium Ready are able to run Vista's Aero interface. It is primarily a desktop face-lift that also includes some usability tweaks. An even higher-end Vista interface, Aero Glass, will also be available on some PC models.

Apple recently released details on some of the features of the next version of OS X, which is due in the spring. These include Time Machine, an automated backup program, and Spaces, a feature that allows you to have several desktops open on your screen at once.

The final version of Boot Camp, which lets you run Windows XP on the Mac, will also be packaged with the new operating system. You'll have to buy your own copy of Windows XP, however.

If you plan to buy a computer now but would prefer its forthcoming operating system, ask the manufacturer whether it intends to issue upgrade coupons, which

would save you some money when the new system becomes available.

DON'T RUSH TO HD VIDEO

Desktops and laptops are starting to ship with high-definition DVD players, but we don't recommend those systems yet. The high-definition playback on the laptops we tested was not ready for prime time, with so-so video and tiny text on Web pages because of the systems' high resolution. As for desktops, they require HDCP-compliant monitors and video cards for content protection, which are not yet very common. If your system lacks those components, you won't be able to view high-definition Hollywood content. Finally, the battle over which high-def format—Sony's Blu-ray or Toshiba's HD DVD—will become dominant is far from over, so you could end up with an obsolete player.

TRY SHOPPING ONLINE

Web-based retailers tended to score better overall on price in the latest Computer Shopping Survey, conducted by the Consumer Reports National Research Center. Amazon.com was the

only vendor to get the highest rating for its prices in the survey, while PC/Mac Connection.com, PC/Mac Mall.com, and TigerDirect.com all rated better than average and were standouts for selection. Bear in mind, however, that most independent online retailers sell both new and refurbished systems, so make sure you know which you're getting.

One limitation of independent online retailers is that you may not have a lot of flexibility in customizing. The best place to do that is at the manufacturer's own site. Among those, Apple rated tops in our survey, with superior selection and service. Lenovo (IBM) ranked among the highest overall for Windows PCs, though Dell earned top marks for selection.

Our respondents were less satisfied overall with their buying experiences at retail stores. Most offered average prices at best and few earned high marks for their service or selection. Two exceptions were Apple's retail stores and Micro Center, both of which were highly rated for selection and service.

For retailers with both online and brick-and-mortar stores, our survey respondents fared better by going the Web

MAIN MENU

The six brands that made our Quick Picks *continued*

SONY

Stylish but expensive PCs.

Pros Sony sells both laptops and desktops and sits at the top of the heap when it comes to laptop displays. It has a broad selection of workhorse and slim-and-light laptops. The slim-and-light VAIO SZ series is feature-laden (but expensive). Its PCs are also stylishly designed.

Cons Despite high costs, Sony's desktop tech support and reliability have been undistinguished.

Where to buy Sony's Web site was a middling performer. Other online retailers that carry Sony computers include Amazon.com, PC Connection.com, TigerDirect.com, and PCMall.com, all of which did relatively well in our survey for their computer prices in general. Micro Center, which also sells Sony computers, was a standout for selection and service for all computer purchases.



Sony VAIO VGN-SZ140

TOSHIBA

A good choice for budget laptops, but no desktops in the U.S.

Pros Toshiba's Satellites are solid, reasonably priced laptops, with features such as a fingerprint reader and memory-card slot. The Qosmio line is fully loaded (but heavy) and geared toward entertainment. We don't recommend Qosmios as Quick Picks because of their high price, but they are feature-rich machines and perform well.

Cons The Toshiba Satellites we tested have shorter-than-average battery life. Their keyboard layouts are a bit awkward, and the cases could use clearer labeling. Toshiba's reliability and tech support have both been undistinguished in our surveys.

Where to buy Toshiba's manufacturer-direct program was undistinguished in our survey. Independent online retailers that carry Toshiba computers and scored well overall include Amazon.com, Costco.com, and PC Connection.com. Micro Center, a top-performing retailer, also sells Toshiba models, as does the TV shopping network QVC.



Toshiba Satellite M100